

Senate Study Bill 1128 - Introduced

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
AGRICULTURE BILL BY
CHAIRPERSON SENG)

A BILL FOR

1 An Act relating to preferred stock issued by cooperative
2 associations.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 499.24, Code 2011, is amended to read as
2 follows:

3 **499.24 Preferred stock.**

4 Preferred stock shall bear cumulative or noncumulative
5 dividends as fixed by the articles, ~~not exceeding eight percent~~
6 ~~per annum~~. It shall have no vote. It shall be issued and
7 be transferable without regard to eligibility or membership,
8 and be redeemable on terms specified in the articles and as
9 provided for in this chapter. The directors shall determine
10 the time and amount of its issue.

11 EXPLANATION

12 This bill relates to preferred stock issued by a cooperative
13 association organized under Code chapter 499. It eliminates a
14 requirement that the stock's dividends cannot earn more than 8
15 percent per annum.